



APPENDIX.

The Statutes constituting the Missouri insurance insolvency law are Section 6047 to and including Section 6076, Revised Statutes of Missouri, 1939, found in Chapter 37, Article 10 of the Missouri Insurance Code; also found in Missouri Statutes Annotated, Volume 15, Pages 814 to 848 inclusive.

Section 6052 authorizes the Superintendent of the Insurance Department to institute proceedings in the appropriate circuit court against any company believed by him to be insolvent or in an unsound condition, to enjoin the company from further prosecution of its business, or for a judgment dissolving the company, or for both. In the event dissolution is ordered the court may order the liquidation, settlement and winding up of the affairs of such company or its rehabilitation.

Section 6056 provides that if the court sustains the complaint of the Superintendent of Insurance it shall render judgment enjoining the company from further prosecution of its business or dissolving the company, or may by its judgment do both.

For brevity, only those statutes or portions of statutes deemed relevant to this case are quoted, viz.:

Sec. 6058. Title of assets to vest in superintendent.— Upon the rendition of a final judgment dissolving a company, or declaring it insolvent, all the assets of such company shall vest in fee simple and absolutely in the superintendent of the insurance department of this state, and his successor or successors in office, who shall hold and dispose of the same for the use and benefit of the creditors

and policyholders of such company and such other persons as may be interested in such assets. (R. S. 1929, Sec. 5947.)

Sec. 6059. Disposition of assets. If the court directs the superintendent of the insurance department to liquidate, settle or wind up the affairs of such company, said superintendent shall take immediate possession of the assets, books and papers of such company, and unless disposition of the assets of said company is made by a reinsurance agreement as may be provided by law, he shall sell and dispose of the real estate and other property of such company, subject to the approval of the court, and may execute in his own name, as superintendent of the insurance department, all necessary and proper conveyances of the same; he may also, in his own name as such superintendent, maintain and defend all actions in the courts of this or any other state, or of the United States, relating to such company, its assets, liabilities and business. (R. S. 1929, Sec. 5948. Reenacted, Laws 1933-34, Ex. Sess., p. 65.)

Section 6060 provides a method for proof and allowance of claims against the dissolved company.

Sec. 6062. Distribution of assets. Unless reinsurance of a dissolved company is effected and its assets conveyed to the reinsuring company as provided by law, and unless such dissolved company is being rehabilitated under other sections of this article, the superintendent of the insurance department, under the direction of said court, shall apply the sums realized from the assets of such dissolved company, first, to payment of all the expenses of closing the business and disposing of the assets of such company; second, to the payment of all lawful taxes and debts due the state and the United States and the counties

and municipalities of this state; third, to the payment of the death losses and matured policy claims; fourth, to the payment of the debts and claims allowed against such company, and the unearned premiums and the surrender value of its policies, in proportion to their respective amounts; and lastly, any sums remaining in the hands of said superintendent, after the payments have been made in full as herein provided, shall be disposed of in such manner as said court shall order and direct: * * *

Sec. 6064. Reinsurance of dissolved companies.—Whenever any decree enjoining a company perpetually from further prosecution of its business or judgment of dissolution is rendered or granted under the provisions of this article, the superintendent of the insurance department may make or cause to be made, a report verified by affidavit, showing the actual condition of such company. Whenever such report shall show facts warranting, in the opinion of the superintendent of the insurance department, the reinsurance of the risks of such company, then, subject to the approval and direction of the court, said superintendent shall proceed to reinsure such risks on the best terms obtainable for all persons interested. (R. S. 1929, Sec. 5953. Reenacted, Laws 1933-34, Ex. Sess., p. 65.)

Section 6065 provides for payment of the expenses of the liquidation proceedings. It provides that in case reinsurance of the policies is effected, the reinsuring company shall pay the costs of such proceedings.